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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Approval of the Results of Its 2013 Local Capacity Requirements Request for Offers for the Moorpark Sub-Area.

Application 14-11-016
(Filed November 26, 2014)

SECOND ASSIGNED COMMISSIONER'S RULING AND SCOPING MEMO

In accordance with Rule 7.3 of the Commission's Rules of Practice and Procedure,¹ this ruling sets the procedural schedule and defines the scope for Phase 2 of this proceeding. The first scoping memo in this proceeding was issued on March 13, 2015, *Assigned Commissioner's Ruling and Scoping Memo*.

1. Background

On November 26, 2014, Southern California Edison Company (SCE) filed an Application for approval of the results of its 2013 Local Capacity Requirements (LCR) Request for Offers (RFO) in the Moorpark sub-area of Big Creek/Ventura local reliability area (Moorpark sub-area) to meet long-term capacity requirements by 2021 (Application). SCE filed this Application and served the prepared testimony to comply with the procurement need determined in the Long Term Procurement Plan proceeding, Rulemaking (R.) 12-03-014.²

¹ All subsequent references to Rules are to the Commission's Rules of Practice and Procedure, Chapter 1, Division 1 of Title 20 of the California Code of Regulations. The current version of the Rules is available on the Commission's website: www.cpuc.ca.gov.

² R.12-03-014, *Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans* (March 22, 2012).

The assigned Commissioner issued a scoping memo on March 13, 2015.³ Evidentiary hearings were held and parties submitted legal briefs. These documents are available on the Commission's website. On May 26, 2016, the Commission issued Decision (D.)16-05-050 in this proceeding, which approved SCE's contract with NRG Energy Center Oxnard, LLC (NRG) for the 262 megawatt (MW) Puente Project and 12 MWs of preferred resources, but deferred consideration of the 54 MW Ellwood Project (contract #447021) and an associated 0.5 MW energy storage project (contract #447030) to a subsequent decision. In D.16-05-050, the Commission stated,

....the record in this proceeding does not appear to be fully developed enough to decide whether to approve the Ellwood contract at this time.

To determine if the Ellwood contract is reasonable, it is necessary to determine if there is a reliability need that it would meet. D.13-02-015 required that SCE procure new resources to fill the Moorpark sub-area reliability need. Goleta is within the Moorpark sub-area, but the current Ellwood facility was considered by the CAISO to be an existing operational resource in the 2012 LTPP proceeding in which D.13-02-015 was decided. Thus, the Ellwood peaker would not be eligible to fill the identified reliability need in the Moorpark sub-area.⁴

The Commission stated in the Findings of Fact, as follows:

Finding of Fact 15: The record is incomplete regarding evaluation of the reliability need for the Ellwood contract and

³ On December 4, 2014, the Commission issued Resolution ALJ 176-3347 to preliminarily determine that this proceeding was ratesetting and that evidentiary hearings would be necessary.

⁴ D.16-05-050 at 30-31.

whether the Ellwood contract is the best way to meet any such need.

Finding of Fact 16: Under the terms of the contracts, the energy storage contract with NRG California South, located at the site of Ellwood, is not available if the Commission refrains from approving Ellwood at this time.⁵

Therefore, as directed by D.16-05-050, the second phase of this proceeding will address SCE's request for approval of the 54 MW Ellwood Refurbishment contract (447021) and the related 0.5 energy storage contract (447030). The contracting party is NRG California South LP.

As SCE explained in prior testimony in this proceeding, while it is seeking approval of the Ellwood Refurbishment contract in this Application, the Ellwood Refurbishment contract is not considered an incremental resource and does not count toward the procurement targets for the Moorpark sub-area.⁶

Earlier in this proceeding, parties filed protests. These protests addressed all the issues in the proceeding, including the issues related to the 54 MW Ellwood Refurbishment contract (447021) and the related energy storage contract (447030). On January 6, 2015, City of Oxnard filed a protest to the Application. On January 12, 2015, Sierra Club, the Office of Ratepayer Advocates, World Business Academy, and the Center for Biological Diversity filed protests to the Application. Additionally, on January 12, 2015, the Alliance for Retail Energy Markets and the Direct Access Customer Coalition,

⁵ D.16-05-050 at 36.

⁶ SCE Application 14-11-016 at 3, fn. 6. More details regarding this project are available in SCE's prepared testimony, referred to as Exhibit SCE-1 (*Testimony of Southern California Edison Company on the Results of Its 2013 Local Capacity Requirements Request for Offers (LCR RFO) for the Moorpark Sub-Area – Chapter VII, Section A.1*).

EnerNOC, Inc., the Western Power Trading Forum, and NRG Energy Center Oxnard, LLC, and NRG California South LP filed responses to SCE's Application. One party also filed a request for clarification. SCE filed a reply to the protests and responses on January 22, 2015. On January 28, 2015, a prehearing conference (PHC) was held in this proceeding.

We now turn to Phase 2 of this proceeding, which will solely address the 54 MW Ellwood Refurbishment contract (447021) and the related energy storage contract (447030).

2. Scope of Issues in Phase 2

The issues to be determined in Phase 2 are as follows:

1. Is the 54 MW Ellwood Refurbishment contract reasonable?
2. Is the contract with NRG California South LP, for a 0.5 MW storage project, reasonable?

In addition, D. 16-05-050 directed parties to address the following matters, stating:

1. Is the Ellwood facility currently under contract between SCE and NRG, and, if so, for how long?
2. Is there a specific unmet local reliability need in the Goleta area absent the Ellwood facility, given the approvals in this decision? If so, what is the amount of this need, and in what timeframe does it occur?
3. What is the best way to fill any local reliability need in the Goleta area?
4. Should there be a new RFO or other process to identify resources to meet any unmet local reliability need in the Goleta area?
5. Should the Ellwood refurbishment contract and associated storage contract be approved at this time to meet any unmet local capacity need, or should the Ellwood refurbishment/storage contract be required to participate

in any new RFO (or other process) to meet any unmet local capacity needs?⁷

3. Need for Evidentiary Hearings

Based on the Application, the pleadings filed by parties, and the statements made by parties at the PHC, today's scoping memo adopts a procedural schedule that includes evidentiary hearings. The finding is consistent with the Commission's preliminary determination in Resolution ALJ 176-3347.

4. Public Participation Hearing

Parties are directed to file motions on or before September 8, 2016 requesting a public participation hearing (PPH). Following review of any motions filed, the assigned Commissioner will determine whether PPHs are warranted and, if so, set the date and location in a separate ruling. The purpose of the PPH will be to provide an opportunity for the public to address matters related to Phase 2 of this Application.

5. Schedule

Pursuant to Pub. Util. Code § 1701.5, the Commission must resolve the issues raised in a scoping memo for a ratesetting proceeding within 18 months of the issuance of the first scoping memo or issue a decision seeking an extension of time. The Commission is also permitted by statute to extend the statutory deadline in a subsequent scoping memo. By today's scoping memo, the assigned Commissioner extends the statutory deadline in this Application proceeding for an additional 12 months.

The procedural schedule, set forth below, may be adjusted by the Presiding Officer or the assigned Commissioner as necessary to promote the fair

⁷ D.16-05-050 at 32.

and efficient adjudication of this proceeding, provided that the proceeding is concluded within the timeframe provided by Section 1701.5. The schedule is set forth below:

Application 14-11-016 - Phase 2

Event	Date
Motions on need for PPH	September 8, 2016
SCE Testimony	September 22, 2016
Intervenor Testimony	October 13, 2016
SCE and Intervenor Rebuttal Testimony	October 27, 2016
Cross-Examination Estimates	October 28, 2016
Evidentiary Hearings, if needed.	November 1 and 2, 2016 at 10:00 a.m. Commission Courtroom 505 Van Ness Avenue San Francisco, CA
Public Participation Hearing, if needed.	Date and Location TBD
Opening Briefs	December 1, 2016
Reply Briefs [anticipated date of submission]	December 15, 2016
Proposed Decision	[no later than 90 days after submission]
Commission Decision	[no later than 60 days after proposed decision]

If the parties stipulate to the admission of written testimony without cross-examination, the Administrative Law Judge (ALJ) may remove the evidentiary hearing from calendar and the parties may move the admission of prepared testimony by written motion pursuant to Rule 13.8(d).

6. Categorization

In Resolution ALJ 176-3347, the Commission preliminarily determined that this proceeding should be categorized as ratesetting, as that term is defined in

Pub. Util. Code § 1701.1(c)(3). The March 13, 2015, *Assigned Commissioner's Ruling and Scoping Memo* confirmed this categorization. Today's scoping memo makes no changes to this categorization.

7. Designation of Presiding Officer

Today's scoping memo makes no changes to the designation of the Presiding Officer, pursuant to § 1701.3(a), set forth in the March 13, 2015, *Assigned Commissioner's Ruling and Scoping Memo*. The Presiding Officer remains ALJ Regina M. DeAngelis.

8. Service List and Service Requirements

The current official service list for this proceeding is maintained by the Commission's Process Office and posted on the Commission's web page, at www.cpuc.ca.gov. Rules for service are found in the Commission's Rules of Practice and Procedure. All those appearing on the service list should make sure that the correct information is contained on the service list. Parties are required to notify the Commission's Process Office of corrections or changes, in accordance with Rule 1.9(f).

9. Paper Copies of Filings

In order to conserve paper, the following practices should be observed in this proceeding:

- All paper copies of filings provided to parties and the Commission should be printed double-sided.
- A paper copy of the certificate of service is required for the ALJ. The ALJ does not require a copy of the actual service list.
- The assigned Commissioner will rely on electronic copies of the documents. Paper copies of filings need not be provided to the assigned Commissioner's office.

10. Request for Party Status

Requests for Party Status must be made by motion, in accordance with Rule 1.4.

11. *Ex Parte* Communications

In a proceeding categorized as ratesetting, *ex parte* communications are allowed consistent with Pub. Util. Code § 1701.3(c) and Rule 8.3.

12. Discovery

To the extent discovery is conducted in this proceeding, this proceeding will follow the general rule of ten working days to respond to data requests. This rule will apply to all parties. If a longer response time is required, the party preparing the response shall so notify the requesting party and indicate when the response will be sent. Such notice should be provided as soon as possible, but no later than ten days after receipt of the request. If parties have discovery disputes they are unable to resolve by meeting and conferring, they should raise these disputes with the Commission pursuant to Rule 10.1.

13. Final Oral Argument

In accordance with Rule 13.13, a party in a ratesetting proceeding in which an evidentiary hearing is held has the right to make a Final Oral Argument before the Commission, if the Final Oral Argument is requested within the time and manner specified in the Scoping Memo or later ruling. Any party seeking to present Final Oral Argument may file and serve a motion at any time that is reasonable, but no later than the last date that reply briefs are due. A response to the motion may be filed within five days of the date of the motion. If a final determination is made that no hearing is required, Rule 13.13 will cease to apply, along with a party's right to make a Final Oral Argument.

14. Intervenor Compensation

Any party that expects to request intervenor compensation for its participation in this rulemaking must file its notice of intent to claim intervenor compensation in accordance with Rule 17.1 and §§ 1801-1812 of the Pub. Util. Code within 30 days of the date of this ruling. Parties that have already filed a notice of intent to claim intervenor compensation in this proceeding do not need to file again for Phase 2.

15. Electronic Submission and Format of Supporting Documents

The Commission's website accepts electronic submittal of supporting documents, such as testimony and work papers.

If such documents are required, parties shall submit their testimony or work papers in this proceeding through the Commission's electronic filing system.⁸ All testimony must be served on all parties pursuant to Rule 1.10, in addition to submission through the Supporting Documents Feature.

Parties must adhere to the following:

- The Instructions for Using the "Supporting Documents" Feature:
(<http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&DocID=158653546>) and
- The Naming Convention for Electronic Submission of Supporting Documents:
(<http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&DocID=100902765>).

⁸ These instructions are for submitting supporting documents such as testimony and work papers in formal proceedings through the Commission's electronic filing system. Parties must follow all other rules regarding serving testimony. Any document that needs to be formally filed such as motions, briefs, comments, etc., should be submitted using Tabs 1 through 4 in the electronic filing screen.

- The Supporting Document feature does not change or replace the Commission's Rules of Practice and Procedure. Parties must continue to adhere to all rules and guidelines in the Commission's Rules of Practice and Procedures including but not limited to rules for participating in a formal proceeding, filing and serving formal documents and rules for written and oral communications with Commissioners and advisors (*i.e.*, "*ex parte* communications") or other matters related to a proceeding.
- The Supporting Document feature is intended to be solely for the purpose of parties submitting electronic public copies of testimony, work papers and workshop reports (unless instructed otherwise by the ALJ), and does not replace the requirement to serve documents to other parties in a proceeding.
- Unauthorized or improper use of the Supporting Document feature will result in the removal of the submitted document by the Commission.
- Supporting Documents should not be construed as the formal files of the proceeding. The documents submitted through the Supporting Document feature are for information only and are not part of the formal file (*i.e.*, "record") unless accepted into the record by the ALJ.

All documents submitted through the "Supporting Documents" Feature shall be in PDF/A format. The reasons for requiring PDF/A format are:

- Security – PDF/A prohibits the use of programming or links to external executable files. Therefore, it does not allow malicious codes in the document.
- Retention – The Commission is required by [Resolution L-204](#), dated September 20, 1978, to retain documents in formal proceedings for 30 years. PDF/A is an independent standard and the Commission staff anticipates that programs will remain available in 30 years to read PDF/A.

- Accessibility – PDF/A requires text behind the PDF graphics so the files can be read by devices designed for those with limited sight. PDF/A is also searchable.

Until further notice, the “Supporting Documents” do not appear on the Docket Card. In order to find the supporting documents that are submitted electronically, go to:

- Online documents, choose: “E-filed Documents, ”
- Select “Supporting Document” as the document type, (do not choose testimony), and
- Type in the proceeding number and press “search”.

Please refer all technical questions regarding submitting supporting documents to:

- Kale Williams (kale.williams@cpuc.ca.gov)
(415) 703-3251, and
- Ryan Cayabyab (ryan.cayabyab@cpuc.ca.gov)
(415) 703-5999

16. Miscellaneous Matters

1. All testimony and briefs filed in this proceeding must include a table of contents.
2. The subject line of all e-mails in this proceeding must include the following, as noted: **A1411016 (SCE Moorpark) Name of Party, Concise Name of Filing.**

IT IS RULED that:

1. The scope of the proceeding is set forth in Section 2, above.
2. The schedule for the proceeding is set forth in Section 5, above, subject to change by subsequent ruling by the assigned Commissioner or assigned Administrative Law Judge, as appropriate.
3. The adopted schedule anticipates evidentiary hearings. It is anticipated that the record will also be composed of all documents filed and served in this proceeding.

4. Parties requesting intervenor compensation, that have not yet filed a notice to intent in this proceeding, must have filed notices of intent to claim intervenor compensation in this proceeding within 30 days of the date of this ruling.

Dated August 18, 2016, at San Francisco, California.

/s/ MICHEL PETER FLORIO

Michel Peter Florio
Assigned Commissioner